



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

June 5, 2009

To: Supervisor Don Knabe, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

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Second District

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Third District

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MICHAEL D. ANTONOVICH  
Fifth District

## **AMERICAN RECOVERY AND REINVESTMENT ACT UPDATE**

This memo is to provide a brief status report on recent key activities related to American Recovery and Reinvestment Act (ARRA) funding.

### **Executive Oversight Committee**

The Committee met on May 28, 2009, and major topics of discussion were notifying the Board of Supervisors of all grant applications, grant awards and any requirements of matching County funds. Each Project Management Committee provided a status report to the Committee as follows:

### **Capital Projects**

The Department of Public Works (DPW) has received grants of \$6.2 million and expects to receive at least \$5 million in the near future to be approved. Other activities include:

#### ***Competitive Grant Applications***

- Compton/Woodley Airport has received notice of an \$8 million grant award for the reconstruction of pavement and drainage in the apron areas in the airport. Submission of a formal application is required to receive the funding;
- DPW had submitted 61 water quality applications to the State for drinking water projects. DPW recently learned that the highest ranked County project was #576 out of more than 2,000 applications submitted to the State. The State anticipates they will only fund projects ranked #1 through 75; and
- DPW applied for \$23,100,000 in ARRA funding for the North County Recycled Water Project. The proposed project constitutes Phase Two of four phases of the Antelope Valley Recycled Water Project pipeline backbone. If approved, the recycled water will be used for irrigation and facilities. DPW would likely receive ARRA funds in the form of a low interest loan rather than a grant.

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### **Formula Grant Awards**

DPW anticipates receiving approximately \$46.1 million of ARRA funds for transportation infrastructure projects from which DPW will fund 19 projects. These projects include pavement resurfacing, bridge barrier rail replacement, traffic signal enhancement, signing, striping, pavement markings, illuminated street name signs and the performance of other related work.

- Federal Aid Secondary (FAS) Program – DPW submitted five FAS projects totaling \$12 million. To date, only Avenue G, Et Al. has received a notice to proceed. The remaining projects are pending notification;
- Regional Surface Transportation Program (RSTP) – DPW submitted 14 RSTP projects totaling almost \$33.4 million. To date, Firestone Blvd. Et Al. and Washington Blvd. Et Al. have received a notice to proceed. The remaining projects are pending notification;
- Transportation Enhancement Activity (TEA) – DPW submitted one project for \$748,746 to resurface the Class I Bike Trail along the Los Angeles River; and
- Five projects are currently being reviewed by Caltrans for approval and DPW anticipates notification to proceed in the near future. The remaining projects are currently being reviewed by Caltrans District 7 office.

### **Public Safety**

The Sheriff's department has submitted an application for a COPS grant with award expected in September, 2009. The Probation Department has also submitted five Byrne grant applications for funding to help reduce recidivism, improve the rate of successful completion of probation, and to decrease the number of technical provisions of probation leading to incarceration through multidisciplinary team case planning.

### **Social Services**

The County has been allocated a total of \$157 million in formula ARRA grants related to community and social services including \$33.6 million in Workforce Investment Act funds. Several initiatives were detailed by the project management committee such as the status of the Rapid Re-housing plan and the County Workforce Stimulus plan. Over \$30 million in ARRA funding has been issued to constituents by increased monthly food stamp allocations.

### **Environmental and Renewable/Energy**

The County of Los Angeles was allocated \$15.4 million from the State Energy Program by formula; a formal application is due on June 26, 2009, with funding expected by early fall. The initial focus of funding will be to establish an AB 811 program to provide a

County-sponsored low interest loan program for "green" improvements to home and business owners. Another important goal outlined by the team in response to a recent Board motion was the creation of environmental service centers within the community to provide sustainability information to constituents. DPW has partnered with Internal Services Department (ISD) to provide projects totaling \$4,915,000 to be included in the County's Clean Diesel proposal which was submitted by ISD. The project goals included the installation of up to 128 retrofit devices on existing County diesel equipment which will be installed on both on and off road diesel vehicles to reduce particulate matter and nitrogen oxide emissions. Notification of award is expected in early June, 2009.

### **Health Services**

A large allocation of funding is expected through Federal Medical Assistance Percentages (FMAP) and other formula sources, but at this time there is very little ARRA guidance published. The Project Team advised there could be a reduction in the County FMAP allocation due to the State's deteriorating fiscal situation. The Department of Mental Health is working with other County agencies to apply for other competitive ARRA grants.

### **Legislative Updates**

The House passed, on a voice vote, H.R. 2182 (Townes, D-NY), the Enhanced Oversight of State and Local Economic Recovery Act, on May 19, 2009. The Senate Homeland Security and Governmental Affairs Committee approved S. 1064 (Lieberman, I-CT), the Senate companion bill, on the following day. Both bills would assist state and local governments in their efforts to oversee spending under the ARRA, the recently enacted economic recovery bill. This bipartisan legislation, which is expected to be sent to the President by the end of June, 2009, includes the following provisions:

1. Requires Federal agencies to adjust applicable limits on administrative expenditures of Federal grant awards to help recipients defray the costs of data collection, reporting, auditing, contract and grant oversight and investigations of waste, fraud, and abuse;
2. Allows state and local governments receiving ARRA funds to use up to 0.5 percent of such funds, in addition to any funds already allocated, for administrative costs, to conduct planning and oversight to prevent and detect waste, fraud, and abuse;
3. Authorizes the General Services Administration (GSA) to allow state and local governments to use ARRA funds to purchase goods and services using the GSA's supply schedule, which could result in cost savings and/or expedite the purchase of goods and services; and
4. Requires the Director of the Office of Management and Budget to issue guidance on the definitions of "jobs created" and "jobs retained" to ensure accurate and consistent reporting by recipients of ARRA funding.

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### **Departmental Reporting Guidelines**

A workgroup comprised of this Office, the Auditor-Controller (A-C), ISD, Department of Community and Senior Services and DPW who was heavily involved in the development of both modules, was constituted to guide the implementation of the eCAPS grant module to track ARRA funding. A-C staff developed instructional material for the module and all departments are currently being scheduled for training, with priority being given to departments with the largest allocations of ARRA funding. An ARRA eCAPS website for departments to access the new tracking system, training materials and readiness documents has been created, and is located at the following intranet page: <http://ecapsweb.co.la.ca.us/phase3/arra/index.asp>.

### **Chief Executive Office**

To provide your Board with more time to adequately review each grant proposal, all departments were instructed to notify your offices, via email, of all ARRA funding opportunities for which they intend to submit applications. Departments were advised to prepare formal correspondence to your Board for acceptance of ARRA funding and to gain approval for County match requirements. Lastly, this Office has developed procedures to coordinate newsworthy events with all Board offices to issue press releases and present news conferences, as necessary. A press release announcing a 13.6% increase in food stamp allocations was recently released.

If you have any questions, or require further information on this matter, please contact Ellen Sandt, Deputy Chief Executive Officer, at (213) 974-1186 or [esandt@ceo.lacounty.gov](mailto:esandt@ceo.lacounty.gov).

WTF:EFS  
SAW:ef

c: All Department Heads